

FISCAL NOTE

Bill #: HB0723

Title: Eliminate petroleum tank release compensation board

Primary Sponsor: Musgrove, J

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	FY 2004 Difference	FY 2005 Difference
Expenditures:	\$0	\$0
Revenue:	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

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|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Environmental Quality

1. The elimination of the Petroleum Tank Release Compensation Board would result in a reduction of approximately \$31,000 per year in legal expenses, travel, per diem and communication expenses.
2. Since there are more claims than funds available, the \$31,000 saved through reduced board expenses will instead be spent on reimbursement of claims for cleanup of petroleum releases.
3. Elimination of the Petroleum Tank Release Compensation Board and the transfer of functions performed by the board to the Department of Environmental Quality would cause negligible financial impact for the department.
4. The Board of Environmental Review (BER) would conduct rulemaking and would hear appeals of eligible determinations and claims. The incremental cost of this activity to the BER budget would be negligible.

FISCAL IMPACT:

None

TECHNICAL NOTES:

1. On page 8, line 2, the first "board" should not have been changed to "department." Under Section 8(5)(e) of the bill, the board is given the authority to establish criteria, by adoption of rules, for reimbursement following a violation letter.

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(continued)

2. On page 8, line 27, the words "and the board" should be stricken. Notice to the board of approval of corrective action plans is required in the current law because the board had jurisdiction over reimbursement for all sites. Under the bill, the board only has jurisdiction over sites for which there is an appeal. Notice of approval of all corrective action plans is therefore not necessary.
3. On page 9, line 3, "board" should not have been changed to "department." Under Section 8(5)(a) of the bill, the board has authority to establish rules governing submission of claims.
4. On page 9, line 5, the second reference to "board" should not have been changed to "department." Under Section 8(5)(a) of the bill, the board has authority to establish rules governing submission of claims.
5. On page 9, lines 8 and 9, the sentence that begins on line 9 should be stricken. The appeal of the department's decision is provided for on page 10, lines 4 through 6. Reference to an appeal on page 9 is unnecessary.
6. On page 9, line 16, "board" should not have been changed to "department." Under Section 8(5)(a) of the bill, the board has authority to establish rules governing submission of claims.
7. On page 12, line 13, the reference to the board should not have been stricken from the catchphrase. Section 8 establishes powers and duties for both the board and the department.
7. The bill should be effective July 1, 2003, to be consistent with agency reorganizations.
8. HB 368 has been transmitted to the Senate and provides some conflicting direction. Coordination may be needed.